



## FLOOD CONTROL DISTRICT OF MARICOPA COUNTY

### Floodprone Properties Acquisition Program

#### **PREREQUISITE FOR PROGRAM ACCEPTANCE**

Only residential property located within a designated floodplain will be considered for the Flood Control District of Maricopa County [District] Floodprone Properties Volunteer Acquisition Program.

#### **CRITERIA FOR PROGRAM**

The residence and one [1] acre or less of property [homesite] will be valued **without** consideration of being located within a designated floodplain. In the event the size of the parcel is greater than one [1] acre, the District, at its discretion, may acquire the remaining portion of the parcel at its fair market value as unimproved land **with** consideration of the flood hazard or subject to existing conditions of the property. The owner must accept the District's offer within forty-five [45] calendar days of the date of the Offer-To-Purchase letter.

#### **OWNER OCCUPANT SECTION**

When an owner-occupant accepts the District's Offer-To-Purchase for the owner-occupant residence, the owner-occupant may be eligible for supplemental payment to assist owner-occupant with replacement housing and moving expenses, under the District's Floodprone Properties Volunteer Acquisition Program. A brief description of the relocation assistance for which the owner-occupant may be eligible is listed below. A Relocation Agent will be assigned to assist the Relocatee [owner-occupant] throughout the relocation process. To ensure the owner-occupant is eligible, and to receive prompt payment of reimbursable relocation expenses, the owner-occupant should contact the relocation agent assigned to assist the owner-occupant before moving or purchasing a replacement home.

#### **THE TOTAL AMOUNT OF THE PURCHASE SUPPLEMENT PAYMENT: NOT TO EXCEED \$22,500.00**

If the owner-occupant has occupied the residence for 180 calendar days or more prior to the District's Offer-To-Purchase, the owner-occupant may be eligible for, in addition to the fair market value of the property, a purchase supplemental payment, not to exceed \$22,500 (including price differential) for all costs necessary to purchase a similar replacement dwelling. To be eligible, the owner-occupant must purchase and occupy a qualified replacement dwelling that meets all applicable building codes, and not located within a designated floodplain, within one [1] year from Close of Escrow of owner-occupant's current property being acquired by the District.

#### **THE PURCHASE SUPPLEMENT PAYMENT INCLUDES:**

##### **Price Differential**

The price differential is the amount by which the cost of a qualified replacement dwelling exceeds the acquisition cost of the displacement [the owner-occupant] dwelling. The price differential and the following payments are in addition to the acquisition price paid for current property.

## Increased Mortgage Interest Costs

The owner-occupant may be reimbursed for increased mortgage interest costs if the interest rate on your new mortgage exceeds that of your present mortgage. To be eligible, the owner-occupant acquired residence must have been encumbered by a bona fide mortgage, which was a valid lien for at least 180 calendar days prior to the initiation of negotiations.

## Incidental Expenses

The owner-occupant may also be reimbursed for other expenses such as reasonable costs incurred for title search, recording fees, and certain other closing costs, but not including prepaid expenses such as real estate taxes and property insurance.

### EXAMPLE OF A PRICE DIFFERENTIAL PAYMENT COMPUTATION:

Presume that the District purchases a property for \$55,000. After a thorough study of the available comparable residential properties on the open market, the District determines that a comparable replacement property will cost \$71,500. If a person purchases a replacement property for \$71,500, that person will be eligible for a price differential payment of \$16,500; see Example A.

If the owner-occupant purchases a replacement property costing more than \$71,500, the owner-occupant would pay the difference as shown in Example B. If the purchase price is less than \$71,500, the price differential payment will be based on your actual cost; see Example C.

The price differential payment the owner-occupant will receive depends on how much the owner-occupant actually spends on a replacement dwelling as shown in the following examples:

|                                   |   |                   |
|-----------------------------------|---|-------------------|
| <b>District's<br/>Computation</b> | Cost of Comparable Replacement  | \$71,500          |
|                                   | Acquisition Price of Current Property   | - \$55,000        |
|                                   | <b>Maximum Price Differential Payment</b>                                       | <b>\$16,500</b>   |
| <b>Example A</b>                  | Actual Cost of Replacement Property<br>(Same Purchase Price as Comparable)      | \$71,500          |
|                                   | Acquisition Price of Current Property   | - \$55,000        |
|                                   | <b>Price Differential Payment</b>   | <b>\$16,500</b>   |
| <b>Example B</b>                  | Actual Cost of Replacement Property   | \$80,000          |
|                                   | Acquisition Price of Current Property   | - \$55,000        |
|                                   | Difference  | \$25,000          |
|                                   | <b>Maximum Price Differential Payment</b>                                       | <b>- \$16,500</b> |
|                                   | Owner-occupant is Responsible For This Amount                                   | \$8,500           |
| <b>Example C</b>                  | Actual Cost of Replacement Property   | \$69,000          |
|                                   | Acquisition Price of Current Property   | - \$55,000        |
|                                   | <b>Your Price Differential Payment is</b><br>(Payment based on the actual cost) | <b>\$14,000</b>   |

## **MOVING COST REIMBURSEMENT PAYMENT: NOT TO EXCEED \$10,000.00**

An owner-occupant may be entitled to reimbursement of your moving costs and certain related expenses incurred in moving, not to exceed \$10,000.00. The methods of moving and various types of moving cost payments are explained below.

### **YOU CAN CHOOSE EITHER:**

#### **Actual Reasonable Moving Costs (Professional Move)**

The owner-occupant may be paid for the owner-occupant's actual reasonable moving costs provided by a professional mover plus related expenses. Reimbursement for moving your personal property will be limited to a 50-mile distance. Related expenses involved in the move may include:

- Packing and unpacking personal property.
- Disconnecting and reconnecting household appliances.
- Insurance while personal property is in storage or transit.
- Transfer of telephone service and other similar utility reconnections.
- Other expenses considered eligible by the District.

All expenses must be considered necessary and reasonable by the District and supported by paid receipts or other evidence of expenses incurred.

#### **Fixed Moving Cost Schedule (Self-Move)**

Or the owner-occupant may choose to do a self-move, and be paid on the basis of a fixed moving cost schedule as established by the District. The amount of the payment is based on the number of rooms in your dwelling. The owner-occupant's relocation agent will be able to tell the owner-occupant the exact amount the owner-occupant will be eligible to receive if the owner-occupant selects this option. The schedule is designed to include all of the expenses incurred in moving, including those services that must be purchases from others.

### **OWNER NON-OCCUPANT - VACANT RESIDENTIAL SECTION**

In the event an owner non-occupant of vacant residential property desires to have it acquired, the District will present a fair market Offer-To-Purchase for the property. Conditioned upon there being personal property thereon, the District may pay owner non-occupant of vacant residential property a sum not to exceed \$5,000.00 for eligible moving costs.

### **TENANT MOVING & RELOCATION SECTION**

The District may pay a tenant-occupant [occupied for 90 calendar days or more prior to the District's Offer-To-Purchase], a Rental Assistant Payment not to exceed \$5,000.00, to be estimated on the fair market rent for a term of one [1] year. Further, the District may pay tenant-occupant a sum not to exceed \$5,000.00 for eligible moving costs.